



## WORLD NEWS BRIEFS

### Koivisto Landslide Victor in Finland

*The Associated Press*

HELSINKI — President Mauno Koivisto became Finland's first Socialist president Monday night in a Social Democrat landslide that even he had not expected. With 91 percent of the vote counted, the acting president's Social Democrats had won 146 of the 301 seats in the electoral college five short of an absolute majority.

Mr. Koivisto's electors had received 43.1 percent of the votes cast, far more than his best pre-election poll indication of 37 percent. A record 88.5 percent of the 3.9 million registered voters cast ballots.

Mr. Koivisto claimed victory, saying that the Communist Party had promised him the other five seats if needed. The other seven official candidates conceded. In a statement characteristic of his low-key campaign, Mr. Koivisto proclaimed the landslide victory "fairly satisfactory."

Mr. Koivisto has been acting president since Urho Kekkonen, 81, resigned last October after 25 years in office.

### 4 Pilots Die as U.S. T-38 Jets Collide

*The Associated Press*

INDIAN SPRINGS, Nev. — Four pilots were killed Monday when four jets practicing for the Air Force's Thunderbird precision team collided in the air, authorities said.

The four twin-engine T-38 jet trainers were practicing at the auxiliary station of Indian Springs Air Force Base for the upcoming season of air shows starting in March when they collided, said a spokesman at Nellis Air Force Base, 40 miles (75 kilometers) northwest of Las Vegas.

A board of officers was being formed to investigate the accident, the spokesman said. Last year, two Thunderbird pilots died in crashes. A total of 18 pilots have now died in the 29-year history of the team.

### U.K. Miners Appear Split on Strike

*The Associated Press*

LONDON — Britain's 240,000 coal miners appeared Monday to be split on whether to launch a national strike for more money as unofficial counts on a strike ballot indicated a wide rejection of industrial confrontation with Prime Minister Margaret Thatcher's Conservative government.

The Times of London reported that the final result, expected later this week, will likely be "finely balanced," despite earlier predictions by militants of an overwhelming vote for strike action.

As the threat of a paralyzing winter coal strike apparently receded, 25,000 locomotive engineers returned to work after a 24-hour strike Sunday, their second national shutdown in five days.

### EEC Farm Price Decision Delayed

*Reuters*

BRUSSELS — The Common Market Commission Monday postponed a decision on its 1982-83 farm price proposals to give European Economic Community member countries more time to resolve their dispute over budget reform, EEC sources said.

The 14-member EEC executive body was to have decided Monday on how much more it thought the community should pay this year in guaranteed prices to its 8 million farmers. But at a morning meeting several commissioners urged that a decision be put off until after a meeting of EEC foreign ministers next Monday, the sources said.

The foreign ministers, charged with negotiating a major overhaul of the EEC budget, ended the last round of their talks on Friday, still split over cash rebates to Britain and milk subsidies to farmers. But diplomats believe that sufficient progress has been made to make a solution possible at next week's meeting.

### U.K. Panel Backs Canadian Charter

*The Associated Press*

LONDON — The British Parliament should approve a request by the government of Canadian Prime Minister Pierre Elliott Trudeau to give his country complete control over its constitution, an all-party House of Commons committee on foreign affairs said Monday.

The endorsement by the committee was expected to speed passage in Parliament of a measure to send the British North America Act to Canada. That document, written in 1867, established the Canadian confederation and has served as the Canadian constitution.

All of Canada's provinces except French-speaking Quebec on Dec. 2 approved a resolution by Mr. Trudeau asking Britain to send the document to Ottawa. If the British Parliament approves the request, it will remove the last vestige of British colonial authority over Canada.

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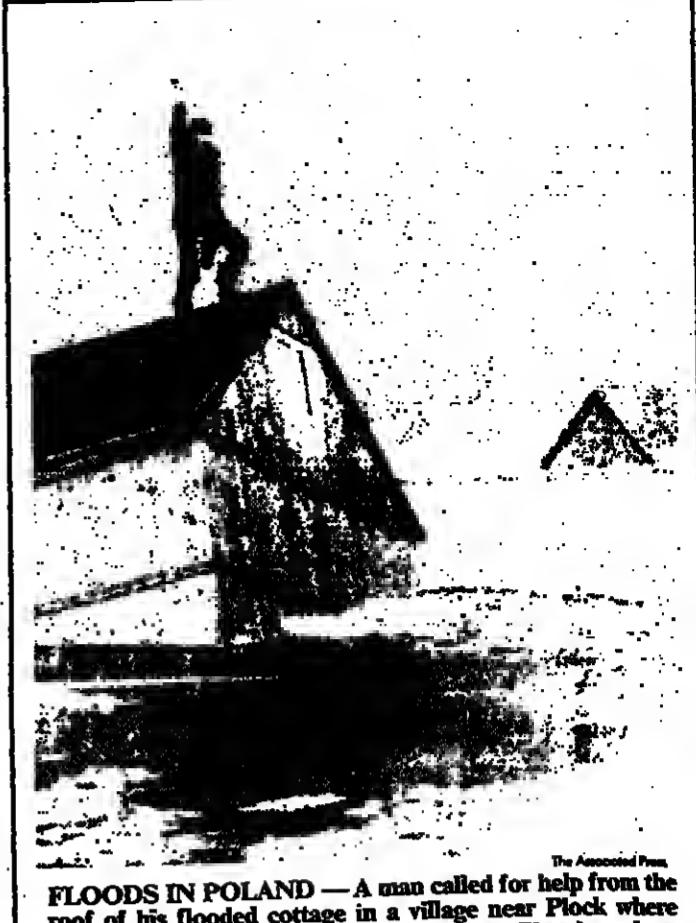
LE PETIT RICHE 1850 Bistro. Daily except Sun. Lunch, dinner from 7 p.m. to 0.15. About 1, 150-25 F. La Paillote. 770-04-68. Oyster table.

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FLOODS IN POLAND — A man called for help from the roof of his flooded cottage in a village near Plock where the Vistula River left thousands of families homeless.

### Solidarity's Peace Tactics: A View From Underground

(Continued from Page 1)

became another annex of the totalitarian system, creating only an impression of democracy. This must not be demanded of us or of our Solidarity union."

"But let me expand on the subject," he continued. "Many people compare the construction of Solidarity to a revolution. But this revolution precluded the use of force and kept the arrangement determining the Polish rason d'état — alliances, economic cooperation, the leading role of the Polish United Workers Party."

"It was supposed to allow the party and government authorities to reform the system of rule in the country and find a new formula for the leading role of the party taking into account the social changes that were occurring. It is known, now, that nobody was thinking about such changes and reforms and that our hopes — that we would find even a token of good will on the other side — were illusory. It's clear the current situation could not have been avoided."

Mr. Bujak, a former paratrooper, said that he was now in contact with union activists from Gdańsk, Wrocław, Łódź and other regions and that the union was reorganizing. He said the leaders in hiding were considering calling a national warning strike to demand the lifting of martial law and the release of Mr. Walesa, who is under house arrest, and of other union leaders. Attempts to bring union leaders to trial or to expel them from Poland sources here speculated.

The Chinese news agency said in a commentary at the end of Mr. Holdridge's visit that the issue of U.S. arms sales to Taiwan had "reached a point calling for an immediate solution, and the Sino-American relationship is facing a rigorous test."

Although Peking would never openly agree to any U.S. arms sales to Taiwan, the Reagan administration's unilateral decision undercut the position of moderates within the Chinese hierarchy who had placed their confidence on Secretary of State Alexander M. Haig Jr.'s promise of further talks before a decision was made. Now, those moderates believe they have been let down, made to appear foolish and perhaps even deliberately duped, according to Communist sources here.

In an evening ceremony, the U.S. ambassador to France, Evan G. Galbraith, laid a wreath to the memory of Col. Ray at the Arc de Triomphe, the site commemorating France's unknown soldier. Col. Ray is survived by his wife and two children.

Vietnam Veteran

Col. Ray has been at the Paris embassy since mid-1980. He was one of four assistant military attachés in the 12-man team in the defense attaché's office. He was a decorated veteran of the Vietnam War, his only previous overseas assignment.

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LAKESIDE SKIER — A lone cross-country skier on the rim of Crater Lake, an extinct volcano in a national park 6,000 feet (2,000 meters) above sea level in southwestern Oregon.

## Greece Moves to Abolish Adultery As Crime Punishable by Prison

New York Times Service

ATHENS — The Greek Socialist government has extended its drive for social change by seeking the abolition of adultery as a crime punishable by imprisonment.

The bill aimed at doing this is part of the Socialists' drive to revise the country's family law and penal code. It has met the opposition of conservative legislators and bishops of the Greek Orthodox Church, who have warned that such a reform may disrupt traditional family patterns.

Stathis Alexandris, the minister of justice, said his bill would abolish provisions that make adultery punishable by prison terms of up to a year and that forbid remarriage for any person sentenced for the offense. As in most Western countries, adultery would remain a ground for divorce.

Mr. Alexandris expressed confidence that his bill would be passed

by an overwhelming margin this month.

"Existing laws," he said, "are outdated when compared to social realities, since for some time now the offense has been accepted as a somewhat ordinary phenomenon, not deserving such strict punishment. Now even stoning people to death has prevented adultery."

The minister said that existing legislation had led to "unnecessary humiliations of human dignity."

Since the law demanded evidence of the offense, the partner who pressed charges was obliged to catch the couple in the act. In most cases, this required forced entry, employment of a photographer, help from detectives to make an arrest and then transportation of the couple to the nearest police station.

The discovery of a half-dressed couple in a bedroom was often deemed inadequate evidence.

## Red Brigades Planned Mass Political Killing

United Press International

ROME — The Red Brigades planned to kidnap last month's kidnapping of U.S. Brig. Gen. James L. Dozier with the massacre of 100 politicians, on live television later this week, police said Monday.

A police spokesman confirmed stories in three of Italy's major newspapers saying the group planned to attack the Christian Democratic Party headquarters during a national conference on Friday. Police last week said they had found plans to attack the building, but did not release details.

The reports said 15 to 20 Red Brigades members disguised as television technicians and carrying false identification documents were to infiltrate the party building on the morning of the conference. They were to carry guns and grenades in their equipment bags.

At 1:35 p.m., while the meeting was to be broadcast live to millions of Italians on the afternoon news, the Red Brigades members were to hurl grenades at the dais and open fire on leading politicians.

At the same time, guerrillas outside the building were to launch missiles and bazooka shells from the back of parked vans and rush inside. The Red Brigades members in the building were to commandeer television cameras, train them on the politicians being shot, and

4 More Spanish Oil Deaths

The Associated Press

MADRID — Four women died in Spanish hospitals last weekend, bringing to 249 the number of deaths blamed on toxic cooking oil since last May. Health Ministry officials said Monday. Officials said 414 persons suffering from the illness were still in hospitals.

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## Ousted U.S. Official Makes Comeback in Fight on Soviet Trade

By Clyde H. Farnsworth  
New York Times Service

WASHINGTON — This is a tale of political survival in the nation's capital, the saga of a civil servant who was once called incompetent and was ousted but who now has returned as one of the key policymakers of the Reagan administration.

Lawrence J. Brady has come back. Moreover, he has come back to the Commerce Department, the same agency he was forced to leave two years ago over an interpretation of détente. And he has come back to an even bigger job, as assistant secretary for trade administration.

He is also resuming the offensive he began as an export official in the Carter administration, a campaign against the large-scale transfer of U.S. technology to the Soviet Union.

Mr. Brady believes that the computers, advanced electronics gear, pipeline equipment, truck plants and steel and aluminum mills that the United States and the other Western allies and Japan have shipped to the Soviet Union over the years of détente have been used only to enhance the Russians' military capability.

His latest battle plan, disclosed last week, calls for the Western allies and Japan to play a bigger role in the struggle to curb such exports. And this time around, with the ideological wheel having turned, he is more confident of victory.

All this is part of the argument about how much trade can or should be controlled for political purposes, especially when competing products are available from other nations. At issue, too, is whether trade can serve as a liberalizing influence on the policies of the Soviet Union. Many proponents believe that it can.

The measure on adultery, included within a bill that would also establish civil marriage and thus end the church's monopoly of marital ceremonies, has been welcomed by most people directly involved in prosecuting adultery.

The Athens Bar Association termed the projected changes "a major step forward in the country's social evolution." Constitutional experts within its ranks also argued that punishment of adultery was a violation of human rights, as specified by the Treaty of Rome establishing the European Economic Community to which Greece belongs.

Private detectives, whose profession has flourished through the pursuit of such cases, predicted a slight increase in adultery upon the withdrawal of the prosecution threat, but they stressed that even now only one-third of discovered cases goes to court.

Greek wives, they said, have been particularly unwilling to press the matter. Women were more anxious to save their marriage and avoid the social stigma attached to divorce, they said.

Police found detailed plans for the attack on the building — located in Rome's modern EUR section — and military weapons such as bazookas when they raided three Red Brigade hideouts and arrested 10 persons 10 days ago in the Rome area.

Among those arrested was Giovanna Senzani, 42, a former criminologist who police say headed the Red Brigades' Rome faction. The raids led to some hope that Mr. Senzani and the others would lead police to the "people's prison" where the group is holding Gen. Dozier. The U.S. general, who is the highest ranking officer at NATO's Verona base, was kidnapped on Dec. 17 from his Verona home.

Police said there had been contact between the Rome faction and the Red Brigades' so-called military wing that abducted Gen. Dozier. They said the kidnappers had asked Ms. Senzani to interrogate Gen. Dozier.

In Verona, meanwhile, Gaspare De Francisci, an anti-terrorist judicial official leading the Dozier investigation, met with U.S. specialists sent to Italy to help with the case.

Mr. Brady quit under pressure as acting director of the Office of Export Administration at the Commerce Department in early 1980 when he and his superiors were unable to agree on policy.

Testifying before Congress, Mr. Brady asserted that the department's export controls were not being adequately administered and said that trade should be suspended. Neither the companies seeking the export business nor his Commerce Department superiors agreed, and Mr. Brady left the government.

Then came the Soviet intervention in Afghanistan, in which trucks from a plant on the Kama River, built in part by Americans, were identified as troop carriers.

Mr. Brady, vindicated in the view of many conservatives, returned to New Hampshire, the state of his birth 40 years earlier, and began campaigning hard for Ronald Reagan for president. He also began writing about technology transfers in Human Events, a conservative weekly.

Mr. Reagan had chosen New Hampshire to deliver his strongest criticism of technological trade with the Russians, proposing the suspension of all trade pending Soviet withdrawal from Afghanistan. Upon meeting Mr. Brady on the campaign trail, Mr. Reagan reportedly promised, "If I'm elected president, you're back in the government."

### Request Indicated

Today, with events in Poland as well as Afghanistan to react to, Mr. Brady is, apparently with the president's blessing, confidently issuing strongly worded condemnations of trade with the Russians. His latest, issued last week, indicated that the United States was preparing to ask its Western allies and Japan for increased curbs on



Lawrence J. Brady

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## 'Heart' Gets Lukewarm Reception

By Janet Maslin  
New York Times Service

**NEW YORK** — In previewing his new film, "One From the Heart," at Radio City Music Hall, Francis Coppola fulfilled his desire to present his new work directly to the public and let the public decide on its merits.

The public, for its part, was polite. While viewing the film under perhaps the most glamorous possible circumstances, the audiences remained receptive and interested.

There was scattered laughter, and there were ripples of appreciation for some of the lovelier sets and special effects. At the film's end, it was greeted with measured, if not wildly enthusiastic, applause.

So the evening, with its two sold-out previews, could in no way be viewed as a fiasco. But neither was it the triumphant debut Coppola had doubtless hoped for two weeks ago, when he hurriedly planned this unorthodox unveiling of his ambitious new musical movie. Coppola's advertisement describes the film as "a new kind of old-fashioned romance."

Coppola arranged the preview

so unexpectedly that his plans became known to Paramount Pictures, the film's ostensible distributor, only through an advertisement placed by Coppola in The New York Times. The director has since expressed dissatisfaction with Paramount and threatened to terminate his distribution arrangement with the studio — something he is free to do, because the film is owned by Coppola's own Zoetrope Studios.

Paramount has offered very little in the way of comment, but the studio and Coppola are apparently still negotiating. At a news conference between the two screenings Friday, Coppola did not rule out the possibility that he might settle his differences with Paramount before Feb. 10, the date on which the studio had originally announced it would release the movie.

Though the film is indeed released, it may in some respects be disappointing, but it will stand as yet another innovative, audacious effort from the director of "The Godfather" and "Apocalypse Now." In "One From the Heart," Coppola has combined richly imaginative sets and backdrops,

bluesy music by Tom Waits and drifting, overlapping action to create a thoroughly American romance with a Las Vegas setting.

The sets include a department store, a motel, a suburban street, a row of gambling casinos and a yard littered with wildly fanciful billboard and car parts. The date is the Fourth of July.

When a dream girl appears to brighten one man's fantasies, she luxuriates in an enormous martini glass or dances on the roof of his convertible. When lovers tango in an imaginary tropical paradise, there's a cruise ship anchored discreetly offshore. The America of these fantasies, as painted by Coppola in soft, gorgeous ocean hues, is far more affecting and important than any of the people who wander through these landscapes.

Though the film is ostensibly about lovers (played by Frederic Forrest and Teri Garr) who drift apart and then back together, the sets are invariably more interesting than the people who inhabit them.

The characters — Nastassja Kinski and Raul Julia complete the romantic foursome — never compete successfully with the scenery. They seem to be living very small lives in very big spaces.

"One From the Heart" has so little in the way of story or tension, in fact, that the effect of Coppola's dazzling technical feats is almost superfluous at times; it's as if Rembrandt were painting Easter eggs. From its very first moments, which consist of a credit sequence so beautiful that it's better than plenty of full-length movies, "One From the Heart" promises a grace and radiance that is only intermittently warranted by the material.

There are ravishing things in this movie, plenty of them, enough to mark it as a brave and original effort. But the bravura moments are as apt to end abruptly as they are to flow easily together. Despite the technological advances that allowed Coppola to construct a kind of video blueprint for his work, a blueprint he could edit and modify to the planning stages, "One From the Heart" is often choppy enough to break its own spell. A spell is what it is, though: Coppola clearly means to weave the lights, colors, music and dance into something magical.

So when a woman looks into a mirror and speaks of the man who'll make her dreams come true, that man's face materializes beside hers. When lovers quarrel and separate, their images are somehow united on the screen. When they make up, the rain stops and the darkness lifts, and their home is bathed in warm yellow light, while the birds down the street begin singing. There's not a moment in "One From the Heart" when Coppola isn't after something romantic and glorious, something inexplicably grand. At times, he even gets what he's after.

## Royal Haircut — For Men Only

By William Borders  
New York Times Service

**L**ONDON — You can, of course, get your hair cut just about anywhere your travels take you. But if you want to feel like a lord while the snipping is going on, there is no place in the world quite like Trumper's, a grand, old-fashioned barbershop at 9 Curzon Street here, in the heart of Mayfair.

Trumper's, let it be said at the outset, is only for men, a blatant discrimination about which it shows no shame at all.

"This is not one of those him and her places," says Ivan Bersch, the owner, with a sniff of disdain. On the contrary, the atmosphere is entirely masculine and distinctly upper class, with dark, polished wood paneling, sporting prints on the walls, and the pin stripes and quiet, well-bred accents of a men's luncheon club.

Dukes and marquesses and captains of industry have been getting haircuts here since George F. Trumper opened shop in 1875, and the ancient gold sign in the window, "Court Hairdresser," really means what it says: men from Trumper's are剃 regularly at Buckingham Palace to trim the royal locks.

Each of the 12 barbers has his own wooden cubicle, so that you cannot see any of the other customers while your haircut is in progress. The cubicles have red velvet curtains and old marble sinks, and some of them are decorated with photographs of former customers, such as King Edward VIII and King George VI, or with wonderful old signs offering such services as beard trimming and mustache curling.

It is possible to walk in off the street, but far better to telephone for an appointment (499-1850). The haircut, which costs \$15, usually starts with a shampoo — the soap rubbed into the hair before it is wet — which becomes a soothing massage.

"It's the way we've always done it at Trumper's," Dennis Hornby explained, as his fingers worked into my scalp. "It reduces the tension and makes you feel calm." It certainly does.

Hornby, who has been a Trumper's barber for 17 years, displays the quiet discretion of the gentleman's gentleman. For example, when asked about dying hair, he replied, "If a man is going gray and

wants to return to his natural color, we can help him." He made it sound for all the world as if the gray were somehow not natural. In my case, he was very circumspect about a well-hidden bald spot, suggesting that my part be lowered somewhat "because you rather need some of this, um, hair up on that um, place or top, if you know what I mean."

Bersch, the owner, selects his barbers very carefully, he says, not only for their skill but also for their deportment and manners. "We don't want a racing-form kind of barber who talks to the customer about sex," said Bersch, who started as a lad boy for George Trumper 30 years ago.

Instead of Playboy and Penthouse magazines, which you would find in most barbershops, waiting customers at Trumper's are offered Country Life and Punch.

In the front of the shop (where women are welcome), Trumper's sells a staggering assortment of colognes, after-shave lotions, soaps and skin balms, many of them blended according to George Trumper's 100-year-old formula.

The shop's mail-order catalog, which explains the history of the various bay rum and lime extracts, recalls that after customers had their hair cut in Victorian days, "it is almost certain that when they emerged, with that quiet feeling of well-being that only the attentions of a skilled hairdresser can provide, they would have taken with them one of Mr. Trumper's renowned preparations."

In addition to all those same preparations, there is a huge cabinet full of soothings and Mediterranean sponges, which range in price up to \$100. Another cabinet displays dozens of shaving brushes, priced from \$25 to \$300, depending upon whether the handle is ivory or plastic, and upon which part of the badger the bristles came from. And surely there are not many places where you can still buy (for \$5) a cake of alum, to rub on your face after shaving.

Despite such current vulgarities as electric razors and aerosol cans, Bersch believes that there is still a strong future for things like shaving brushes, at least among the kind of men who come to Trumper's.

"We offer quality and tradition," he said, "and there's always a market for that."

## Putting a New Face on Men's Cosmetics

New York Times Service

**N**EW YORK — There are mirrors, displays, lights and computers that will analyze his skin in 30 seconds. A woman in a white smock leans over the counter, takes his chin in her hands and scrutinizes his pores. She will study his face, and then prescribe a regimen of products for the health, beauty and maintained ruggedness of her client's skin.

The male customer in the United States has finally been lured, to the delight of cosmetics manufacturers, from traditional indifference to regular consumption in the \$15 billion-a-year beauty business that women have upheld for so long.

"There are a lot of closet users out there," said Maria DelLucia, cosmetics analyst for Kidder Peabody Inc., "men using their wives' products because they are not yet comfortable with purchasing items in the stores."

Sending the market the right way is a matter of educating the male customer, according to Carol Phillips, executive vice president of Clinique, a subsidiary of Estée Lauder, which manufactures skin-care lines for both men and women. "We try to educate men pleasantly, so they see the products for what they are," she said.

Clinique skin supplies for men — a three-step regimen that retails for \$25 here and emphasizes a clinical, no-nonsense treatment — was started in 1976 as a repackaged, renamed version of the women's line, which has been selling successfully since 1968.

**Uncertain Potential**

Not everyone is convinced that the growth potential in men's grooming products is all that strong. "A company putting out a product has a problem if it appeals more to one sex than the other," said William J. Fitzgerald, an economist who studies consumer expenditures for industries and companies. "There have been a lot of aspirations about the great men's market, but it is not really there for the moment."

Prior to Clinique, men's skin care products were marketed under a fragrance umbrella. Fragrance companies introduced skin balms, combining a fragrance with a moisturizer, which was marked with the established fragrance line. Estimated sales of men's fragrance products in 1980 totaled \$672 million.

Unlike their counterparts at Estée Lauder, however, the people at Warner Cosmetics do not feel the market is ripe for a separate men's skin-care line. "I don't think that men's treatment products today address the way men think," Gottlieb said. "Men are not as aware of aging. Society says it's OK for men, and not women, to grow older gracefully; society's viewpoint has to change before men feel a need for these products."

## Dealer in Rothko Case Will Face U.S. Charges

By Joyce Wadler  
Washington Post Service

**N**YONK — Multimillionaire art dealer Frank Lloyd, who was at the center of one of the major scandals in modern art, was given back his passport Monday by a New York Supreme Court judge while free on a \$1-million bond.

Lloyd, an international dealer accused of the "wrongful" and "shocking" mismanagement of the estate of the late Mark Rothko, gave himself up a week ago to face additional charges in that case after eluding authorities for four years. He pleaded not guilty and was freed on an unsecured bond of \$1 million.

His lawyer, Irving Younger, speaking for his client, said Lloyd "has full faith that the processes of American justice will result in his vindication." Younger said they would return on Feb. 22 to the court of New York Supreme Court Justice Peter J. McQuillen, who ordered the passport returned Monday, to move for dismissal of the indictment.

Lloyd is head of the prestigious international Marlborough Galleries, which counted among its clientele the Vatican and the British royal family. Now 70 and still an active art dealer, he was indicted in 1977 on two counts of tampering with evidence during his trial two years earlier. Lloyd, who maintains homes in Paris and the Bahamas, had not returned to the United States since.

"I only collect money, I don't collect pictures," Lloyd, a controversial and hugely successful member of the art community, once said. A self-made man, a refugee from Hitler, he had often outraged art patrons with his forthright philosophy of art as business. Under criticism, he once parried with a feisty ad: "Unlimited cash available for works of art."

It was ultimately the financial aspect of the art world which got Lloyd into trouble. In 1975, with three others, he was found guilty of "improvidence and waste" in the handling of the estate of Rothko, the Abstract Expressionist artist, who committed suicide.

During a complex trial, initiated by Rothko's daughter, it was learned that the three executors of Rothko's estate had sold 798 paintings to Lloyd's Marlborough Galleries for prices far below their market value. In one instance, according to court evidence, Marlborough bought 100 paintings for \$1.8 million, an average of \$18,000 a painting, at a time when works by the artist were selling for between \$40,000 and \$60,000.

The gallery, moreover, paid only \$200,000 down for those 100 paintings.

ings with the remainder to be paid over 12 years with no interest. With the sale of one painting alone for \$180,000, Lloyd nearly realized his initial investment. The gallery was ultimately fined \$9,252,000, which had been paid to the estate, according to a source close to Lloyd. "He just considered it a business arrangement that went sour," the source said.

In 1977, however, two years after that judgment, Lloyd, a British subject, was indicted on two counts of tampering with a stock book in which his gallery recorded the history of each painting and which was used as evidence during the earlier trial. A felony punishable by up to four years in prison, the charge was not considered an "extraditable offense" by the Manhattan district attorney's office. Lloyd, with his wife and two children, continued to live abroad.

On Jan. 11, Lloyd, a balding, white-haired man with a slight stoop and a Viennese accent, gave himself up in state Supreme Court here. He was accompanied by Younger, of the Washington firm of Williams and Connolly, and a New York attorney. A French attorney, the Lloyd family attorney in Paris, sat with Mrs. Lloyd, a blood woman in a full-length fur. Younger said Lloyd had made the decision to come to the United States and face charges because of his two children. He added:

"He knows the charges are baseless but his situation is that he does have young children with his second wife and he did not want to leave his children with the idea that their father was afraid to face an accusation."

Monday, Younger said Lloyd is "of course delighted his passport is returned; he wants to see his children and be wants to take care of his business interests all over the world."

## Arts Agenda

**W**YOMING — A new production of Offenbach's "Tales of Hoffmann" that opens Jan. 21 at the Lyons Opera will be the first in France to be based on the revised critical edition by Fritz Czoss. Alain Vanzo will sing the title role, with Catherine Malfitano on his four loves, José Van Dam singing the four villains, and Colette Allié-Lugay on Nicklausse and the Muse. Jean-Claude Caenodus will conduct and Louis Eric is the stage director, with sets by Roberto Pialetti and costumes by Sophie Chauvet. The work will get five performances; this month's schedule is scheduled to return to the repertory on April and May.

\* \* \*

**MONTE CARLO** — Richard Strauss' "Arthurs und Nestor" will be given for the first time at the Salle Garnier Jan. 26, opening the season of the Monte Carlo Opera. Marguerite Wallmann is stage director for the work, with sets and costumes by Jean Blancon. In the lead, Frédéric Bidault will be conducted by John Neschling. The work will get five performances; this month's schedule is scheduled to return to the repertory on April and May.

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Belgium .....	B.Fr. 5,400.00	2,700.00	1,500.00	Morocco (air) .....	\$ 230.00	115.00	63.00
Bulgaria (air) .....	\$ 230.00	115.00	63.00	Netherlands .....	Fl. 406.00	203.00	11

## Security and Science

Simmering conflict between the intelligence and military branches of the U.S. government and parts of the scientific community became several degrees hotter at a session of the American Association for the Advancement of Science. Adm. Bobby R. Inman, deputy director of the CIA and former director of the National Security Agency, challenged scientists in a wide variety of disciplines to accept a system of voluntary regulation, including prepublication censorship, or be "washed away by the tidal wave" of public anger.

The controversy has its origins in the obscure field of cryptology. In the past decade, rapid developments in computer technologies, including the development of microprocessors, have led to academic and commercial interest in a field that was once the sole province of governments. With such a large fraction of commercial and financial transactions being conducted through computers, there were new reasons to fear industrial espionage, large-scale embezzlement, the invasion of private medical records and so on. The need to develop secure computer codes, coupled with the newly available technologies, brought many people into the area of research that underlies the making and breaking of secret government codes and ciphers.

Exactly how much of a security threat such research poses can be fully answered only by someone with access to the classified material. Experts in this type of research and in the history of cryptology dispute the degree of danger claimed by Adm. Inman and others in the government. But the country's ability to intercept other countries' communications and to keep its own messages secure is undeniably vital, and intelligence agencies are obviously precluded from presenting evidence to support their claims. The most prudent course may be, therefore, to accept the government's assertions that at least some public cryptology research would harm national security, while keeping an ear tuned to those who warn of governmental excess.

Adm. Inman, however, went further. He stated the government's desire to restrict re-

search in a number of other fields, including "computer hardware and software, other electronic gear and techniques, lasers, crop projections and manufacturing procedures." This sweeping but vague list would affect dozens of scientific and engineering disciplines. Justifying it, he said a "hemorrhage" of U.S. technology is heavily responsible for major improvements in Soviet military capability.

Just how widespread such anxiety is in this administration was evident from the brochure "Soviet Military Power," issued last fall by the Pentagon. It described the opportunities provided to the Soviet Union by Western scientific methods, including free communication, detailed publications, conferences and symposia and international exchanges. These, it was noted, provide information valuable to the Russians and therefore damaging to the United States. The trouble is, however, that such practices are also an important means by which U.S. scientific pre-eminence has been achieved. To place too many restrictions on our successful system because it helps a system crippled by comparable restrictions would be foolish.

The openness of U.S. society is a source of both weakness and strength, and always has been. We have not been terribly good at protecting technological secrets that can sometimes provide a major security edge for many years at very low cost. But the same openness has been responsible for producing those technological advances. The cost of an overly cumbersome system of secrecy restrictions in slowing U.S. scientific and technological progress could turn out to be far greater than the advantage denied to our enemies. Moreover, it may simply be impossible to impose; modern science is a thoroughly international endeavor.

This is not to deny that there are valid security concerns that could and should be met. But they seem to us narrower than Adm. Inman and the Defense Department have suggested. If a more plausible case for severe restrictions exists, the government should make it.

THE WASHINGTON POST.

## Keep Track of Prices

Prices in the United States have precisely doubled in the past eight years. We offer that observation merely as a point of reference and assistance in everyone's continuing struggle to keep track of things. If you were earning \$15,000 a year in early 1974, and are now earning \$30,000 a year, you have just stayed even with U.S. inflation. You would be able to buy just as much now as you did then — but no more. Not everything has gone up at the same rate, of course. Gasoline is more expensive than it was then, relative to everything else, but clothes are a lot cheaper. Prices have tripled in the last 17 years. Your \$36,000 would buy what \$10,000 did in 1965. That year, by coincidence, marks the beginning of the great wave of inflation that has been running ever since. It started that spring, with the first impact of accelerated spending on the war in Vietnam. Inflation has never again been as low as it was that year.

By the height of the war, the rate was around 6 percent a year. People considered that intolerable, but they generally believed it would pass when the war ended. Instead, in the early 1970s, a succession of strange events pushed it much higher. The United States devalued its dollar, sold its grain reserves to the Russians, and ran into an utterly unexpected oil crisis. The president of the period, Mr. Nixon, meanwhile turned to a recklessly inflationary strategy to win re-election, then fell into a great scandal and

THE WASHINGTON POST.

The recession will presently end; will the full inflation end at the same time? Having gone through a Vietnam peak, a Nixon peak and a Carter peak, each higher than the last, will it now begin to move upward again in the next economic recovery? Mr. Reagan will have to speak to that question in the next several weeks, in his budget and economic messages. Those annual messages are usually rather dry reading, but this year they are likely to have an unusually attentive audience.

THE WASHINGTON POST.

## If Iran Is Listening

So they aren't deaf, after all. One of Iran's mullahs — Ayatollah Musavi Ardebili — recently called a news conference to deny Western reports about the slaughter of adherents of the Bahai religion. It was not true, he said, that eight Bahai leaders were secretly executed on Dec. 27. And if "one or two Bahai's" have been killed recently, the murders "were not carried out by official bodies."

Yet there is testimony from Bahai's outside Iran — including names, dates, places — that at least 111 members of the faith have been executed over the past two years. These wholesale killings are the revenge of mean-minded zealots against a stigmatized religion that originated in Iran a century ago. The Bahai's apparently cannot be forgiven their devotion to peace and tolerance, their belief

THE NEW YORK TIMES.

## Jan. 19: From Our Pages of 75 and 50 Years Ago

### 1907: Ambition of Wrights

PARIS — Captain Ferber, the foremost European champion of the Wright Brothers, of Dayton, Ohio, writes in "Ballooning and Aeronautics": "Everything that the Wright brothers did between 1900 and 1903 is admirable. But in 1903 everything changes. Ambition takes possession of them; feeling that they have got hold of something extraordinary, they wish to be compensated by a large sum of money. They write to governments of every country saying 'We propose you a flying machine that can make 50 kilometers in the air; we wish a million francs for this machine, which you can pay after the 50-kilometer flight.' But governments have no need of flying machines for the moment. And for having refused to show their machine to journalists, their success is nowhere registered."

## Squatters in the Sinai: Begin's Greatest Test

By Seth M. Siegel

*Seth M. Siegel, a lawyer, writes and lectures on the Middle East. He contributed this article to The New York Times.*

NEW YORK — In coming months, Israeli Prime Minister Menachem Begin will face the greatest test of his political career — one greater than the challenge posed by Anwar Sadat's visit to Jerusalem and by the agonies at Camp David when the peace treaty with Egypt was being drafted.

He is confronted by a challenge from the ranks of longtime supporters who broke with him over the treaty and who oppose the evacuation of the Israeli settlements in the Sinai by April 25, when the final strip of land is to be returned to Egypt. These dissidents, who openly threaten civil disobedience and violence, admit that their aim is to subvert the last withdrawal by provoking the government into abrogating the Camp David agreement.

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These protesters know that if they divide Israeli society today, the country's leaders for years to come will hesitate to consider territorial compromise on the West Bank and Gaza if such compromise can be achieved only at the cost of extraordinary civil strife.

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**Jacques Mitterrand: Thriving in the State of Business**By Patricia Pianton  
*New York Times Service*

**PARIS** — President François Mitterrand of France is in the process of nationalizing some industries. His brother, Gen. Jacques Mitterrand, who looks like him and shares his precision of language, is in the business of running a nationalized industry.

François Mitterrand believes that taking over nine of France's largest industrial groups will help solve national problems.

Jacques Mitterrand, a career air force man who now heads Aerospatiale, Europe's largest aerospace company, holds no brief for nationalization as such — he attributes a company's success to good management and not state support.

"I do not understand why a company's performance should be a function of its legal status," he said in an interview. He points out that in a country frankly committed to central-state-commanded direction since Colbert and Louis XIV, the state has all the tools it needs to direct the economy.

Gen. Mitterrand was tapped in 1975 by his brother's rightist predecessor, Valéry Giscard d'Estaing, to take the helm of Aerospatiale, participant in the ill-fated Concorde and the successful Airbus. His mission: to end the state-owned concern's string of losses.

The turnaround was accomplished by classic business school methods of rigorous cost control, closure of ailing plants, modernizing equipment — and chopping the payroll. In management, "I found a collegial-type direction," said Gen. Mitterrand. Instead, he built a rigid hierarchy — "the company needed to be commanded."

Now, François Mitterrand has appointed him to another six-year term, and it is not difficult to see why. Aerospatiale, product of a gradual nationalization which began in the 1930s and culminated in the 1970 merger of Nord Aviation and Sud Aviation, lost heavily between 1974 and 1978.

In the last three years, Gen. Mitterrand has churned out profits. Company sales in 1980 were

13.17 billion francs (\$2.3 billion) and profits, 119 million francs. Results for 1981 are expected to be as good. And his sales target for 1983 is at least 23 billion francs.

In his second term, Gen. Mitterrand said, "The problem that really needs looking at is the restructuring of the French aerospace industry."

An industry with international dimensions could be created, he believes, from the interests of Aerospatiale; of Dassault, the plane maker, and of the Matra group in missiles. With the Socialists' nationalization program, Dassault and Matra will come under state control. "That could make it easier," said Gen. Mitterrand. "But, so far, it doesn't figure in the the program."

Jacques, 63, and Francois, 65, received their secondary schooling at a Catholic school in Angoulême in the Cognac region of southwest France. Then their paths diverged, with François studying law in Paris while Jacques went on to Saint Cyr, France's most

(Continued on Page 9, Col. 1)



Gen. Jacques Mitterrand

**BUSINESS NEWS BRIEFS****NYSE Stocks Rebound From Initial Plunge****U.S. Trade Ban Hits AEG Turbine Contract**

AP-Dow Jones

**FRANKFURT** — U.S. economic sanctions banning delivery of turbine parts to AEG-Kanis, the turbine-making subsidiary of AEG-Telentum, will have a serious impact on the unit's business this year, an AEG spokesman said Monday.

He said General Electric of the United States, which licenses AEG-Kanis to build gas turbines, said it cannot deliver the turbine parts because of sanctions imposed against the Soviet Union by the Reagan administration after the military takeover in Poland.

Construction of the turbines for the planned Soviet gas pipeline to Western Europe "was to have guaranteed capacity utilization at Kanis for the next two years," the AEG spokesman said. He indicated that AEG was looking into possibilities of replacing the U.S.-made parts with parts made by a producer not bound by U.S. sanctions. But he indicated that technological problems were likely to make this difficult.

**Canada Development Seeks Control of Savin**

From Agency Dispatches

**VALHALLA, N.Y.** — Savin said Monday that it was negotiating with Canada Development Corp. to sell it a majority stake in Savin for \$9.5 million.

It also said Savin and a number of individuals granted Canada Development options that would give the Canadian company control of about 35 percent of Savin. That percentage, about 2.4 million common shares, would be valued at about \$21.2 million.

Savin also said Monday that a subsidiary will pay \$2.4 million in cash and a one-year note for \$1.8 to buy the assets of Savin Associates, a limited partnership recently organized to market word and data processing products under development by Savin.

**Australian Well Tests Called Encouraging**

Reuters

**MELBOURNE** — Broken Hill Pty. said Monday that the Tarwhine-1 well in the Bass Strait has produced 2,600 barrels of oil and 2.90 million cubic feet of natural gas a day in tests.

The well was drilled jointly by Broken Hill and Esso Exploration & Production, with whom it operates the existing Bass Strait oilfields, between the Australian mainland and Tasmania, which supply about 65 percent of Australia's oil needs.

A Broken Hill spokesman said the result was encouraging but added further evaluation of the oil and gas bearing sections of the well will be needed before its commercial significance is known.

**Ciba-Geigy Says Sales Improved in 1981**

From Agency Dispatches

**BASEL** — Ciba-Geigy's group profits and sales improved in 1981, with turnover up 14 percent to 13.62 billion Swiss francs (\$7.3 billion) from 1980, the Swiss chemical and pharmaceuticals company said Monday. Profit figures will be published next month.

Earnings increased as a result of real performance improvement combined with favorable foreign exchange rates, it said. The strong sales growth in the first half of 1981 continued into the third quarter, but slowed slightly in the fourth with the economic downturn, the company said.

Pharmaceuticals and agricultural products, with increases of 18 and 27 percent, accounted for more than half of total sales.

**Arab Group to Buy West German Bank**

Reuters

**BAHRAM** — A bank owned by three Arab countries said Monday it was taking over the Frankfurt-based Richard Daus Bank for an estimated \$18 million.

The Arab Banking Corp., owned by the governments of Libya, Abu Dhabi and Kuwait and based in Bahrain, said it would acquire a majority shareholding in the Richard Daus Group, which owns the bank.

ABC President Abdulla Saudi said he foresaw no problems in a takeover of a West German bank by Arabs. The takeover is ABC's first, but earlier this month it opened branches in New York and London. Mr. Saudi said it planned to take over banks or open branches in most important financial centers.

**Australian, French Firms Get Singapore Deal**

Reuters

**SINGAPORE** — White Industries of Australia and GTM-Coigney of France have signed separate contracts with the state-owned Housing and Development Board here to build prefabricated apartments worth 1 billion Singapore dollars (\$481 million) during the next six years.

Under the contracts, the largest awarded by the board, the companies will build two factories to manufacture 15,000 prefabricated apartment units each. Michael Fam, chairman of the Singapore board, said Monday. The factories will be handed over to the board after the completion of the units, he said.

**Hongkong Bank: Back to the Planning Board**By James Sterngold  
AP-Dow Jones

**HONG KONG** — With the rejection of its bid to takeover the Royal Bank of Scotland group, Hongkong & Shanghai Banking Corp. suffered a second serious defeat in its international expansion plans and officials indicated that a long process of strategic reassessment will be needed before another major move is made.

Hongkong Bank officials seemed confident until the end that somehow the bid for Royal Bank would be accepted by British authorities. Having been thwarted, executive director Roy V. Munden admitted that while expansion would continue, there were no immediate plans for growth into Europe.

"We really do need some time to sit and think again of another course," Mr. Munden said Saturday.

"Way back, we had looked at a lot of opportunities around the world," Mr. Munden said of Hongkong Bank's planning, but "a lot has changed since then and we need time."

**Time-Consuming Bids**

Hongkong Bank's plans were set off course because of the unexpected length of time consumed by the failed bid for the Royal Bank group and the earlier, successful, offer for control of Marine Midland Bank of the United States.

Back in the 1970s, when the bank charted its course and started to shed a carefully cultivated image as an extremely conservative bank, its first priority was to make

From Agency Dispatches

NEW YORK —

A strong performance by blue chip issues, particularly IBM, pushed prices on the New York Stock Exchange market to a higher close Monday.

The Dow Jones industrial average dropped almost seven points in the first hour of trading but rallied to close up 7.5 points at 855.12.

Advances edged declines, 760 to 700, as volume expanded to 44.92 million shares from 43.31 million Friday.

There is widespread speculation

the sharp rise in the U.S. money supply will lead the Federal Reserve to tighten monetary policy, which would push interest rates higher.

The strong early sell-off was sparked by the Fed's report late Friday of a \$9.8-billion surge in the M-1 money supply.

Some analysts said the surge was a seasonal blip. The noted the supply surged \$9.2 billion in the same week a year ago.

Analysts also noted the market dropped almost 19 points last week in anticipation of a steep climb in M-1, and they said much of the selling may have already been exhausted.

The market bounced back this afternoon because of the relatively light selling pressure this morning, which surprised a lot of people," the Fed said.

**Central Bank Intervention Holds Down Rise in Dollar**

Reuters

**FRANKFURT** — European central banks intervened heavily on foreign exchange markets Monday to check the dollar, which was boosted by the prospect of higher U.S. interest rates, dealers said.

Investor fears of renewed surge in U.S. interest rates also pushed the price of gold below \$370 an ounce Monday morning in London and Zurich, where it opened at \$366.5, \$13 below Friday's close. But gold recovered later to \$373.50 in London and around \$373.50 in Zurich.

In New York, the dollar was surprisingly weak in trading, with dealers blaming profit-taking, which was initially stimulated by the central bank intervention in Europe.

To protect the Deutsche mark, the Bundesbank sold \$102.3 million at the Frankfurt midday currency market fix after selling heavily in the open market throughout the morning, dealers said.

They said the Bundesbank wants to stop the mark falling below 2.30 to the dollar because it becomes harder to cut interest rates and stimulate the economy at that level. The Bundesbank is under pressure to cut domestic interest rates and reflate the West German economy.

Production by manufacturing industries also fell 1.5 percent, after rising 1.1 percent in October. The seasonally adjusted industrial output index, base 1975, fell to a provisional 100.8 in November, down 0.1 point from November 1980.

**U.K. Industrial Output Dropped in November**

From Agency Dispatches

**LONDON** — British industrial production fell 1.5 percent in November, reversing a revised two-percent rise in October, the Central Statistical Office reported Monday.

Production by manufacturing industries also fell 1.5 percent, after rising 1.1 percent in October. The seasonally adjusted industrial output index, base 1975, fell to a provisional 100.8 in November, down 0.1 point from November 1980.

**CURRENCY RATES**

Interbank exchange rates for Jan. 18, 1982, excluding bank service charges.

Source: Interbank

Date: Jan. 18, 1982

Period: 1981-82

Source: Interbank

Date: Jan. 18, 1982

## NYSE Nationwide Trading Closing Prices Jan. 18

Tables include the nationwide prices up to the closing on Wall Street.

### Market Summary

Jan. 18, 1982

### Dow Jones Averages

Closes

Chg. Prev.

Chg. Clos.

Chg. Clos

## BIGGEST BYTE POWERS WINCHESTER DISK DRIVE

By Michael S. Malone  
New York Times Service

SAN JOSE, Calif. — While the rest of the electronics industry is bracing to weather the recession, one young business has made an extraordinary debut, one that its partisans compare to the first months of the calculator and digital watch booms of the early 1970s.

Like lots of new technology, the product involved does not sound like much. It is called a micro Winchester drive, or rigid micro disk drive. A micro Winchester is a memory storage device for personal computers that uses a 3½-inch metal memory disk. It is both a challenger and a companion to the so-called "floppy" disk drive, itself only 10 years old and the memory device now used most often in personal computers.

Just since last January, almost 30 companies have announced their entries into the Winchester drive market, according to John Trifari, West Coast editor of Mini-Micro Systems, a computer trade magazine. And during one particularly busy week last November, at least six companies opened their doors for business.

### Vast Capacity

From a standing start in 1980, the market for the micro Winchester drive jumped to almost \$61 million last year, according to Roman Associates International, a research firm in Hayward, Calif. Analysts expect shipments to reach between \$1 billion and \$2 billion by 1985 and eventually account for well over one-third of the entire rigid disk memory market, which last year totaled \$3.68 billion.

The micro Winchester drive's primary attraction is its vast storage capacity on its 5½-inch surface, not incidentally the size of most floppy disks. It is capable of storing up to 10 million bytes, or characters, of memory — the equivalent of three large novels — compared with 143,000 to 250,000 bytes of

memory for a one-sided floppy disk. And the added storage of the micro Winchester transforms a personal computer from the hobbyist level into a computer with the capacity to run a small business.

A major obstacle that still confronts the micro Winchester drive is its price. While a floppy disk drive for a personal computer costs about \$700 at retail, currently a rigid micro disk drive costs between \$3,000 and \$5,000.

And in addition to the high costs, manufacturers of the micro rigid disk business are currently experiencing their first real marketing test. After a flurry of orders and shipments in the first nine months of last year, business has suddenly tapered off, as computer makers study the different models on the market and begin designing their choices into their machines. This process is expected to take another six months, long enough to strain the financing of all of the micro rigid disk makers.

Already the micro rigid disk market has begun to sort itself out between the early leaders — those that have landed contracts with the big computer makers — and the others that may have to divide up the secondary market of an estimated 300 small, specialty-product computer companies.

### The Leaders

According to Andy Roman, of Roman Associates, the leading makers are:

- Seagate Technology Corp. of Scotts Valley, Calif. Founded in 1979, Seagate is the first and largest company in the business and had profits of \$1.7 million in 1980 on sales of \$9.8 million. It already has a contract with Apple Corp., currently the largest micro rigid disk purchaser and the only personal computer maker to announce a rigid disk option for its Apple III, at a cost of \$2,500. Seagate also licenses its micro rigid disk technology to Texas Instruments, and is

rumored to be close to signing a similar deal with Digital Equipment Corp.

• Tandon Corp. of Chatsworth, Calif. Formed in 1975, and with sales of \$4.2 million last year, Tandon woo micro Winchester contracts with Tandy/Radio Shack, the largest personal computer maker, and Commodore International, also a large maker of personal computers. Tandon is also a major force in floppy disks.

• Shugart Associates of Santa Clara, Calif. Founded in 1973 by Alan Shugart, Shugart Associates was sold to Xerox Corp. Mr. Shugart subsequently started Seagate. A leading disk maker, Shugart Associates was slow to get started in the micro Winchester drive market, but its pre-eminence in the floppy disk business as well as its expected position as sole supplier to Xerox's "office of the future," make it a major contender.

Behind the top three, several other companies are already producing micro Winchester drives. They include BASF, the giant West German chemical company; International Memories Inc. of Cupertino, Calif.; Irwin International of Ann Arbor, Mich.; Olivetti, the Italian company, and Rotating Memory Systems Inc. of Sunnyvale, Calif.

And Silicon Valley never overlooks the Japanese. In the most intriguing development of all, Sony Corp. has announced it is working on a 3½-inch rigid disk.

Who will finally emerge pre-eminent in the micro Winchester market is still hard to predict. Not all of the leading personal computer makers have announced their choices in suppliers.

The unsigned customers include Data General Corp., Wang Corp., Atari Inc., and the biggest of all, International Business Machines.

Many industry analysts appear so bullish about the micro Winchester market that they predict it can keep absorbing new competitors without strain. "I don't think that the

## ROMANIA DETAILS FINANCES FOR WESTERN BANKS

The Associated Press

VIENNA — Romanian government officials invited Western banks for two days of talks last week in an effort to correct Western ideas about Romania's rising debt and declining economy, a Western banker said Monday.

He said the meeting in Bucharest Jan. 12 and 13 was attended by representatives of the International Monetary Fund and of major West European and U.S. banks, who were invited according to principles not discernible to us."

Romania's debt to foreign lending institutions is reported to be the second largest in the Soviet bloc after that of Poland. The nation is also troubled by shortages of food and other basic consumer items.

Officially reported arrests for hoarding, profiteering and other economic offenses have given rise to speculation that the Romanians are suffering from financial ills similar to those of the Poles.

Romanian and Western experts pointed out differences in the two countries, however, notably a lack of organized opposition similar to Poland's Solidarity trade union. No date was given.

"The Romanians gave an account of their economic situation, apparently to an effort to make a confidence-building gesture," the banker said, requesting anonymity.

He said, "The Romanians want to depict the situation as they see it, and they put their total foreign debt at \$10 billion, a figure the IMF seems to accept." According to reliable Western estimates, however, Romania's foreign debts

amount to \$12.9 billion and may even reach \$16 billion this year.

The banking official said the Romanians did not make any rescheduling requests during the session.

A member of the IMF, Romania received an unspecified credit in the second part of 1981, but negotiations on a second credit installment were stalled," the official said.

The banker said it appeared that the Romanians were seeking to re-open the talks with the International Monetary Fund.

What they really wanted was to de-dramatize the situation," the official said. "They told us their financial and economic situation in the short term is not good but medium- and long-term prospects are fine."

## NORWAY FORECAST OF OIL INCOME CUT

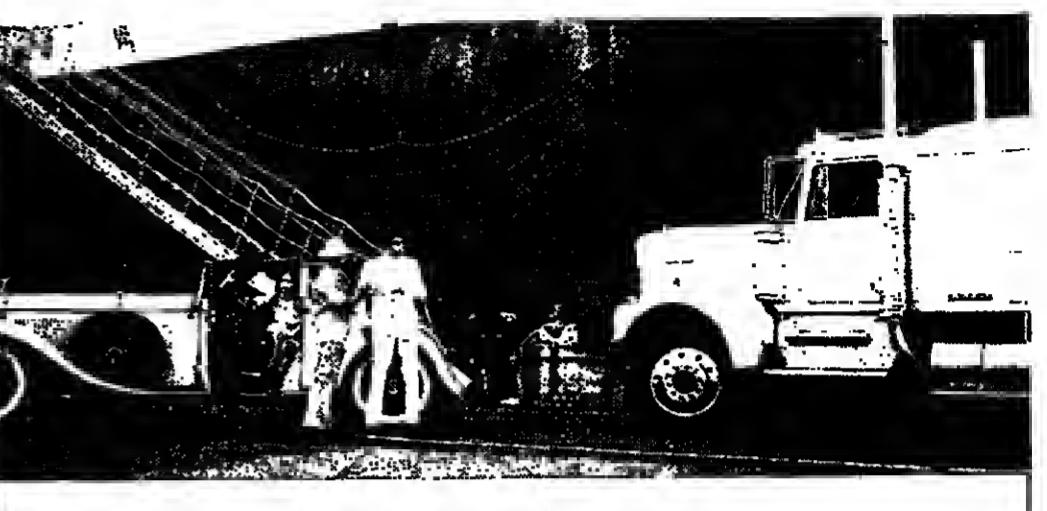
United Press International

OSLO — Norwegian government officials Monday lowered estimates of state income from North Sea oil fields in 1985 by one-third because of the decline in world oil prices.

Government officials said the income would drop by \$3.4 billion from earlier estimates. The total state income from oil and gas in 1983 was set at \$6.8 billion. Oil income currently covers one quarter of the 1982 government budget.

The government takes an 85 percent profit tax from the oil companies, and while the reduction is not expected to affect oil activity, the state will be the hardest hit.

When the original estimates were made in the spring of 1981, Norwegian oil was selling at \$40 a barrel and the Department of Oil and Energy anticipated increased prices in real terms over the coming years. Since then the demand for oil has fallen, the Organization of Petroleum Exporting Countries has reduced its crude prices and Norway's Eksfisk oil has been reduced from \$40 to \$37.50 a barrel.



"A price like that," he teased,  
"and they don't conceal the screws?"

a satellite communications system for the Arab states.

"Cooperation has permitted us to gain international credibility in the space sector and has given Ford access to markets that would otherwise have been closed," said Gen. Mitterrand.

One area of cooperation was recently aborted. The Reagan administration plans to cancel a \$1.1-billion order for the Roland, low altitude ground-to-air missiles developed by Euromissile, a Franco-German partnership which would have worked with Boeing on the project. "It's unfortunate that the program has been treated so lightly by the Americans," said Gen. Mitterrand.

In North America itself, Aerospatiale Helicopters has carved itself an important market segment. And in cooperation with Ford, with which it is working on Intellicar V, it has just landed a contract for Arabsat, said Gen. Mitterrand.

Of Europe, he said: "Here, too, we are condemned to cooperate because our home markets are too small." But he has no feeling of all-

one-eation-through-business. "Europeans get together only when their interests converge," he said. "Don't be misled by the mythology. Airbus is not Europe. It is simply a plane that sells well."

For his own country, Gen. Mitterrand is not so much concerned that his principal shareholder is the state, but that the state continue to act like a shareholder, leaving management to managers.

He does not take naturally to group efforts, despite the pressure for cooperative ventures necessary in a country with a small home market. "The best cooperation is when one is alone," he said. "Second best is when one has 51 percent of a joint venture."

He rejects the suggestion that special treatment from the state helps in such company matters as a near-quadrupling of capital in his tenure. "We were not subsidized," he insisted. "The state played the normal role of a shareholder who wants profitability and thus participates in the rebuilding of the capital funds of the company."

ROYAL OAK



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## THE INTERNATIONAL HERALD TRIBUNE INVITES YOU TO — MEET THE NEW — FRENCH ADMINISTRATION

February 8 and 9, 1982 in Paris

The election of François Mitterrand and the subsequent Socialist victory in the French parliamentary elections clearly mark an important turning point for the French economy.

With the cooperation of the new Socialist government, the International Herald Tribune has organized a conference designed to help senior executives of foreign companies judge how the new administration's policies will affect their company's activities and investment in France.

Prime Minister Pierre Mauroy will open this meeting on "New French Economic Policies," to be held February 8 and 9 at the Intercontinental Hotel in Paris.

The program will include presentations by Jacques Delors, Finance Minister; Michel Jobert, Minister of Foreign Trade; Michel Rocard, Minister of Planning and Regional Development;

Nicole Questiaux, Minister of Social Policy; Pierre Dreyfus, Minister of Industry; Jean Aurox, Minister of Labour; André Chandonnay, Minister delegated to the Minister of Foreign Affairs, in charge of European Affairs; and Laurent Fabius, Minister delegated to the Finance Minister, in charge of the Budget, as well as Jacques Attali, Special Counsellor to the President; Bernard Attali, President of D.A.T.A.R., the French government's regional development agency; Christian Goux, Chairman of the Economic and Finance Committee of the National Assembly, and Thierry de Montbrial, Director of the French Institute of Foreign Relations.

Additional insights on various aspects of doing business in France will be provided by André Bergeron, Secretary General of the "Force Ouvrière" trade union, by a panel of international bankers and by a panel of industrialists. The former will include Hervé de Carnoy, General Manager of the Midland Bank Ltd.; Jean Defuisseux, Director of International Affairs, Crédit Lyonnais, and Edouard Veltin, Advisor to the Board of Executive Directors, Beyerische Vereinsbank. The industrialists' panel, to be chaired by David McGovern, President of the American Chamber of Commerce in France, will include: Rudolph Boniface, Chairman of Ford France; Jean Gandois, Chairman of Rhône-Poulenc; Jean-Luc Lagardère, Chairman of Matra; Bernard Lathière, President of Airbus Industries, and Yves Ragouneau, President of Sony France.

Each presentation will be followed by a question and answer period, and simultaneous French-English translation will be provided at all times.

To register for this exceptional international conference, please complete and return the registration form below today.

### CONFERENCE REGISTRATION FORM

Return to: International Herald Tribune Conference Office,  
181 Avenue Charles-de-Gaulle,  
92521 Neuilly Cedex, France.  
Or telephone: 747.12.65. Telex: 612832.

Please enroll the following participant for the conference to be held February 8 and 9, 1982 in Paris.

191-182

Surname \_\_\_\_\_

First Name \_\_\_\_\_

Position \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City/Country \_\_\_\_\_

Telephone \_\_\_\_\_ Telex \_\_\_\_\_

Participation fee: F.F. 5,500 per person (plus 17.6% VAT for registrations from France) or equivalent.

Conference documentation will include a copy of the 1982 edition of the French Company Handbook, the only English language guide to French companies.

□ Please invoice

Fees are payable in advance of the conference.

Fees will be returned in full for any cancellation that is postmarked on or before January 22. After that date a cancellation fee of F.F. 1,000 will be incurred. Cancellations received by the organizers less than 5 days before the conference will be charged the full fee.

### HOTEL REGISTRATION FORM

Return to: The Intercontinental Hotel  
International Herald Tribune Conference  
3 Rue de Castiglione  
75040 Paris Cedex 01  
Telephone: 260.37.80. Telex: 220114.

A block of rooms has been reserved for participants at preferential rates on a first-come, first-served basis. Reservations must be received by January 25 on this coupon.

□ Single (F.F. 670 per night, tax and service included)

□ Double (F.F. 810 per night, tax and service included)

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First Name \_\_\_\_\_

Position \_\_\_\_\_

Company \_\_\_\_\_

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City/Country \_\_\_\_\_

Telephone \_\_\_\_\_ Telex \_\_\_\_\_

Date of arrival: \_\_\_\_\_

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Enclosed please find a check for F.F. \_\_\_\_\_ or the equivalent for the first night's stay.

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We offer term deposit accounts which produce maximum interest while at the same time giving flexibility of choice and absolute security for your money. Keep what you have earned and beat inflation with the following interest rates GUARANTEED.

NET RETURN	DOLLAR (Can.)	17 %
	PESETA (Spain)	15,25%
	DOLLAR (U.S.)	15 %
	STERLING (£)	15,75%
	FRANC (French)	18,25%
	MARK (Deutsch)	12,75%
	FRANC (Swiss)	9,5 %

HO TAX  
Sociedad Building Society  
Lightfoot Developments  
Brentford, Middlesex  
P.O. Box 263, Brentford  
Tel: 72346. Telex: 2297 STRAS 6K

Exchange rate \$A = \$U1.7414

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